



***SPECIFIC INSTRUCTIONS
for the completion of the***

***FISCAL YEAR 2019
HOME AND COMMUNITY BASED SERVICES/TEXAS
HOME LIVING
REQUEST FOR REVISION REPORT***

For assistance with the completion of the Request for Revision Report, contact the Rate Analysis Department Customer Information Center at RAD-LTSS@hhsc.state.tx.us or 512-424-6637.

For assistance in submitting the electronic Request for Revision Report, contact the Rate Analysis Department Help Line at costinformation@hhsc.state.tx.us or (512) 490-3193.

PURPOSE

The purpose of the Request for Revision Report (RFR) is to gather information for the Texas Health and Human Services Commission (HHSC) to use in determining if a provider met a higher attendant compensation level for the reporting period than the level it met on its most recently audited report functioning as its fiscal year 2016 Attendant Compensation Report.

WHO MUST COMPLETE THIS REPORT?

All providers requesting a revision of their enrollment limitation for the fiscal year 2019 enrollment period (September 1, 2018– August 31, 2019) must complete this report.

GENERAL INSTRUCTIONS

Except where otherwise noted, this RFR is governed by all rules and instructions pertaining to the completion of your Home and Community Based Services (HCS)/Texas Home Living (TxHmL) Cost Report. Refer to:

- Cost Determination Process Rules at Title 1 of the Texas Administrative Code (TAC) §§355.101 - 355.111;
- Attendant Compensation Rate Enhancement Rules at 1 TAC §355.112;
- HCS/TxHmL program-specific rules at 1 TAC §355.722;
- Training for the 2016 HCS/TxHmL Cost Report
- Specific Instructions for the Completion of the 2016 HCS/TxHmL Cost Report.

DUE DATE

This report is due to HHSC by July 31, 2018. The RFR report is now online.

If the RFR report is not submitted by the due date, the enrollment limitation specified on the fiscal year 2019 “Enrollment Limitation List” will apply.

WEBSITE

An electronic version of the 2019 RFR is available on our website at:

<https://rad.hhs.texas.gov/long-term-services-supports>

Once you enter the website, click on the link to “Home and Community Based Services”, then scroll down to the heading “Rate Enhancement – Attendant Compensation”, and click on View 2019 Rate Enhancement - Attendant Compensation Information. Then under the heading “2019 Enrollment

Limitations Information”, click on “View the Request for Revision Report and Instructions”, and select “Complete the RFR”.

REPORTING PERIOD

The reporting period is **September 1, 2017 through April 30, 2018**. The report must be completed for the entire reporting period.

ROUNDING MONETARY AMOUNTS

All reported monetary amounts should be rounded to the nearest whole number (with no zeros included for "cents"). For example, \$25.49 should be rounded to \$25 and \$25.50 should be rounded to \$26. RFRs submitted without proper rounding of monetary amounts may be returned for proper completion.

ROUNDING STATISTICAL AMOUNTS

Statistical data (i.e., hours, units and miles) must be reported to two decimal places. For example, when reporting the hours paid for attendants, 150 hours and 30 minutes would be reported as 150.50 hours and 150 hours and 20 minutes would be reported as 150.33 hours. RFRs submitted without appropriate decimal places may be returned for proper completion.

ACCOUNTING METHOD

All information submitted on the RFR must be based on an accrual method of accounting, except where otherwise specified. Governmental entities may report on a cash basis or modified accrual basis.

COST ALLOCATION METHODS

Refer to the Cost Determination Process Rules (1 TAC §355.102(j) and §355.105(b)(2)(B)(v)) for information concerning allowable allocation methods and requirements for adequate allocation summaries. FICA/Medicare, unemployment, worker’s compensation premiums and paid claims and employee health paid claims may be allocated to attendants based on payroll or direct costed. Health insurance premiums, life insurance premiums and other employee benefits must be direct costed.

REPORT CERTIFICATION

Contracted providers must certify the accuracy of the RFR submitted to HHSC. Contracted providers may be liable for civil penalties, criminal penalties and/or imprisonment if the RFR is not completed according to HHSC requirements or if the information is misrepresented and/or falsified. Before signing the certification pages, carefully read the certification statements to ensure that the signers have complied with the reporting requirements. The Methodology Certification advises preparers that they may lose the authority to prepare future reports if reports are not prepared in accordance with all applicable rules, instructions and mandatory training materials. **NOTE:** any report submitted without original signed and notarized Certification and Methodology Certification pages will be returned to the provider. Copies, faxes and e-mails will not be accepted.

DEFINITIONS

Accrual Accounting Method - method of accounting in which revenues are recorded in the period in which they are earned and expenses are recorded in the period in which they are incurred. If a provider operates on a cash basis, it will be necessary to convert from cash to accrual basis for reporting purposes. Care must be taken to ensure that a proper cutoff of accounts receivable and accounts payable occurred both at the beginning and ending of the reporting period. Amounts earned although not actually received and amounts owed to employees and creditors but not paid should be included in the reporting period in which they were earned or incurred. Allowable expenses properly accrued during the reporting period must be paid within 180 days after the end of the reporting period in order to remain allowable costs for reporting purposes. If accrued expenses are not paid within 180 days after the end of the reporting period, the expense is unallowable and should not be reported on the report.

In situations where a contracted provider, any of its controlling entities, its parent company/sole member, or its related-party management company has filed for bankruptcy protection, the contracted provider may request an exception to the 180-day requirement for payment of accrued allowable expenses by submitting a written request to the Rate Analysis Department of HHSC. The written request must be submitted within 60 days of the date of the bankruptcy filing or at least 60 days prior to the due date of the report for which the exception is being requested, whichever is later. The contracted provider will then be requested by the Rate Analysis Department to provide certain documentation, which must be provided by the specified due date. Such exceptions due to bankruptcy may be granted for reasonable, necessary and documented accrued allowable expenses that were not paid within the 180-day requirement.

Attendant - the unlicensed caregiver providing direct assistance to the individuals with Activities of Daily Living (ADLs) and Instrumental Activities of Daily Living (IADLs). Attendants do not include the director, administrator, assistant director, assistant administrator, clerical and secretarial staff, professional staff, other administrative staff, licensed staff or attendant supervisors, except in certain programs and services where they are delivering attendant services that cannot be delivered by another attendant, to prevent a break in service. To be allowable for the Attendant Compensation Rate Enhancement, attendant expenses must be direct-costed. Direct costing requires daily timesheets documenting time spent performing attendant services for the component code.

Contract Labor - personnel for whom the contracted provider is not responsible for the payment of payroll taxes (such as FICA, FUTA and TUCA).

Contracted Provider - the business component with which HHSC contracts for the provision of HCS/TxHmL services.

Controlling Entity - the individual or organization that owns the contracting entity.

Mileage Reimbursement - reimbursement paid to the attendant for the use of his or her personal vehicle and which is not subject to payroll taxes.

Related Party - a person or organization related to the contracted provider by blood/marriage, common ownership, or any association which permits either entity to exert power or influence, either directly or indirectly, over the other. In determining whether a related-party relationship exists with the contracted provider, the tests of common ownership and control are applied separately. Control exists where an individual or organization has the power, directly or indirectly, to significantly influence or direct the actions or policies of an organization or institution. If the elements of common ownership or control are not present in both organizations, the organizations are deemed not to be related to each other. The existence of an immediate family relationship will create an irrefutable presumption of relatedness through control or attribution of ownership or equity interests where the significance tests are met. The following persons are considered immediate family for cost-reporting purposes: (1) husband and wife; (2) natural parent, child and sibling; (3) adopted child and adoptive parent; (4) stepparent, stepchild, stepsister, and stepbrother; (5) father-in-law, mother-in-law, brother-in-law, son-in-law, sister-in-law, and daughter-in-law; (6) grandparent and grandchild; (7) uncles and aunts by blood or marriage; (8) first cousins, and (9) nephews and nieces by blood or marriage. Disclosure of related-party information is required for all allowable costs reported by the contracted provider.

Workers' Compensation - for reporting purposes, the actual costs paid by the contracted provider during the reporting period related to employee on-the-job-injury (such as commercial insurance premiums or the medical bills paid on behalf of an injured employee).

COVER SHEET

Contracted Provider Identification

Each provider must complete the Contract Provider Identification section. Enter the name, address, phone number, fax number, and email address of the contracted provider.

Mailing Address

Enter the mailing address for the Contracted Provider.

Contracting Entity Information

Enter the Contracting Entity Name, the physical address, phone number, fax number and email address of the contracted provider.

Location of Accounting Records

Enter the address of the location of your company's accounting records.

Contact Information

Enter the contact name, title, organization, address, phone number, fax number and email address

for the contact for your company. The contact person is the employee of the provider, contracting entity, controlling entity, parent company, sole member, governmental body or related-party management company that is designated to be contacted concerning information reported on the RFR. The contact person should be able to answer questions about the contents of your contract's RFR that arise during the HHSC Rate Analysis Department's analysis process.

Preparer Information

Enter the contact name, title, organization, address, phone number, fax number and email address for the preparer of this report.

GENERAL INFORMATION

Texas County Code in Which Accounting Records are Located

Report the 3-digit county code for the Texas County in which the accounting records and supporting documentation used to prepare this compensation report is located. Select your county code from the drop down menu. If the accounting records are located outside the state of Texas, enter "999".

Preparer of this report attended the required annual Report Training last year.

Check "Yes" if the Preparer attended the required training. Cost Report training attendance will be verified by HHSC Rate Analysis. Reports submitted by preparers who have not completed the proper cost report training will not be considered acceptable reports. Such reports will not be processed until the required cost report training has been completed.

Total number of other State of Texas contracts

If the contracting entity holds any other contracts that are participating in the Attendant Compensation Rate Enhancement, report the total number of contracts in the box provided and list the type of contract (i.e., ICF/IID, PHC, CLASS, RC, DBMD) with its 9-digit contract number in the space provided.

Address to send all future correspondence for this report

Select the address to which you want all future correspondence concerning this report to be mailed. The two choices correspond to the addresses of the contracted entity and the contracted provider.

Owner-Employee or Other Related-Party Expenses

Check "Yes" if you are including the cost of owner-employees or other related party employees functioning as attendants on this report.

Check "Yes" if you are including the cost of services purchased from a related party individual or organization on this report.

Allocation of Expenses

Check "Yes" if you are including expenses that are the result of the allocation of expenses. The

allocation summary must be submitted.

All Other State Contracts List

If you indicated you had other State of Texas contracts, report the contract number and select the type of program from the drop down list.

NON-DAY HABILITATION SERVICES

Number of Miles Reimbursed

Report the number of miles reimbursed for attendants provided Non-Day Habilitation services. The reimbursement per mile will be checked by HHSC against the maximum allowed by the state.

Mileage Reimbursement

Report the mileage reimbursement paid to Non-Day Habilitation attendants. Refer to the DEFINITIONS section regarding mileage reimbursement. The amount of mileage reimbursement reported in this item will be divided by the number of miles reported to verify mileage reimbursement ceilings. Allowable mileage reimbursement cannot exceed the reimbursement rate applicable for the reporting period as set by the Texas Legislature for state employee travel.

Paid Hours – Non-Day Habilitation

Report the total number of hours paid for Non-Day Habilitation attendants – both employee and contract labor, including hours for training, paid leave, or travel time between individuals. The employee hours reported should reconcile with your payroll ledger for total hours worked. Reported hours must be associated with allowable costs as defined in 1 TAC §355.103(b)(1). Report all hours to **two** decimal places.

Salaries and Wages and Compensation– Non-Day Habilitation

Report attendant salaries and wages for Non-Day Habilitation attendants. Report only salaries and wages for individuals employed by the provider for whom FICA contributions are made. Report compensation for contract staff delivering Non-Day Habilitation attendant services. See the DEFINITIONS section for the definition of an attendant and for requirements pertaining to staff members functioning in more than one capacity. Salaries and wages include overtime, bonuses, and taxable fringe benefits such as accrued/taken vacation, accrued/taken sick leave, and other allowances in accordance with 1 TAC §355.103(b)(1)(A)(iii)(II).

Payroll Taxes – FICA and Medicare

Report both FICA and Medicare taxes for Non-Day Habilitation attendants delivering Non-Day Habilitation attendant.

Payroll Taxes - State and Federal Unemployment

Report both federal (FUTA) and state (TUCA) unemployment expenses for Non-Day Habilitation attendants delivering attendant services. If this item is blank, provide a detailed explanation in the

space provided as to why no unemployment expenses are reported. Unemployment expenses may be allocated based upon payroll; in such a situation, an acceptable allocation summary must be attached.

Workers' Compensation – Insurance (WCI) Premiums

If your component code, any of its controlling entities, or its parent company/sole member is a subscriber to the Workers' Compensation Act, report the WCI premiums paid to your commercial insurance carrier for Non-Day Habilitation attendants. Premium costs include the base rate, any discounts for lack of injuries, any refunds for prior period overpayments, any additional modifiers and surcharges for experiencing high numbers of injuries (such as being placed in a risk pool).

If your component code, any of its controlling entities, or its parent company/sole member is not a subscriber to the Workers' Compensation Act, there are alternate insurance premium costs that can be reported in this item. Acceptable alternate insurance policies include industrial accident policies and other similar types of coverage for employee on-the-job injuries. Health insurance is not worker's compensation.

If your commercially-purchased insurance policy does not provide total coverage and has a deductible and/or coinsurance clause, any deductibles and/or coinsurance payments made by the employer on behalf of the employee would be considered paid claims (i.e., self-insurance) and must be reported.

WCI premium expenses may be allocated based upon payroll; in such a situation, an acceptable allocation summary must be submitted electronically.

Workers' Compensation - Paid Claims

Report medical claims paid for employee on-the-job injuries for non-Day Habilitation attendants. If you were not a subscriber to the Workers' Compensation Act (i.e., traditional workers' compensation insurance policy), and you paid workers' compensation claims for employee on-the-job injuries for the staff., report the amount of claims paid in this item. If you maintained a separate banking account for the sole purpose of paying your workers' compensation claims for employee on-the-job injuries (i.e., a nonsubscriber risk reserve account), the contributions made to this banking account are not allowable. Paid claims may be direct-costed or allocated based upon payroll. If paid claims are allocated, an acceptable allocation summary must be attached.

Employee Benefits - Health Insurance

Report employer-paid health insurance for Non-Day Habilitation attendants. Employer-paid health insurance premiums must be direct-costed.

Employee Benefits - Life Insurance

Report employer-paid life insurance Non-Day Habilitation attendants. Employer-paid life insurance premiums must be direct-costed.

Employee Benefits - Other Benefits

Report any employer-paid disability insurance and retirement contributions for Non-Day Habilitation attendants. These benefits must be direct-costed. The contracted provider's unrecovered cost of meals and room-and-board furnished to direct care staff, uniforms, staff personal vehicle mileage reimbursement, job-related training reimbursements and job certification renewal fees are not to be reported as benefits; unless they are subject to payroll taxes, in which case they are to be reported as salaries and wages. Other than mileage reimbursement for allowable transportation of individuals receiving services, costs that are not employee benefits and are not subject to payroll taxes are not to be reported on the RFR; these costs may be reported on the provider's cost report in the appropriate items. In the space provided, describe the amount and type of each benefit comprising the total amount reported. Employee benefits must be reported in accordance with 1 TAC §355.103(b)(1)(A)(iii)(II).

Total Non-Day Habilitation Attendant Cost

Total total cost for attendants providing Non-Day Habilitation services is automatically calculated.

DAY HABILITATION SERVICES

Number of Miles Reimbursed

Report the number of reimbursed miles for attendants provided Day Habilitation services. The reimbursement per mile will be checked by HHSC against the maximum allowed by the state.

Mileage Reimbursement

Report the mileage reimbursement paid to attendants. Refer to the DEFINITIONS section regarding mileage reimbursement. The amount of mileage reimbursement reported in this item will be divided by the number of miles to verify mileage reimbursement ceilings. Allowable mileage reimbursement cannot exceed the reimbursement rate applicable for the reporting period as set by the Texas Legislature for state employee travel.

Paid Hours – Day Habilitation

Report the total number of hours paid for Day Habilitation attendants, including hours for training, paid leave, or travel time between individuals. The hours reported in this line item should reconcile to your payroll ledger for total hours worked.

Report the total number of hours paid to contract staff delivering Day Habilitation attendant services. Reported hours must be associated with allowable costs as defined in 1 TAC §355.103(b)(1). Report all hours to **two** decimal places.

NOTE: If provider contracts with a related-party entity to provide contracted Day Habilitation services, the hours, wages, taxes and benefits must be reported as if they were for the staff of the provider.

Salaries and Wages and Compensation - Day Habilitation

Report accrued salaries and wages for Day Habilitation attendants. Report only salaries and wages for individuals employed by the provider for whom FICA contributions are made. Report compensation for contract staff delivering Day Habilitation attendant services. See special note above for reporting Day Habilitation services contracted with a related-party entity. See the DEFINITIONS section for the definition of an attendant and for requirements pertaining to staff members functioning in more than one capacity. Salaries and wages include overtime, bonuses, and taxable fringe benefits such as accrued/taken vacation, accrued/taken sick leave, and other allowances in accordance with 1 TAC §355.103(b)(1)(A)(iii)(II).

Payroll Taxes – FICA and Medicare

Report both FICA and Medicare taxes for Day Habilitation attendants.

Payroll Taxes - State and Federal Unemployment

Report both federal (FUTA) and state (TUCA) unemployment expenses for Day Habilitation attendants. If this item is blank, provide a detailed explanation in the space provided as to why no unemployment expenses are reported. Unemployment expenses may be allocated based upon payroll; in such a situation, an acceptable allocation summary must be attached.

Workers' Compensation – Insurance (WCI) Premiums

If your component code, any of its controlling entities, or its parent company/sole member is a subscriber to the Workers' Compensation Act, report the WCI premiums paid to your commercial insurance carrier for Day Habilitation attendants. Premium costs include the base rate, any discounts for lack of injuries, any refunds for prior period overpayments, any additional modifiers and surcharges for experiencing high numbers of injuries (such as being placed in a risk pool).

If your component code, any of its controlling entities, or its parent company/sole member is not a subscriber to the Workers' Compensation Act, there are alternate insurance premium costs that can be reported in this item. Acceptable alternate insurance policies include industrial accident policies and other similar types of coverage for employee on-the-job injuries. Health insurance is not worker's compensation.

If your commercially-purchased insurance policy does not provide total coverage and has a deductible and/or coinsurance clause, any deductibles and/or coinsurance payments made by the employer on behalf of the employee would be considered paid claims (i.e., self-insurance) and must be reported.

WCI premium expenses may be allocated based upon payroll; in such a situation, an acceptable allocation summary must be submitted electronically.

Workers' Compensation - Paid Claims

Report medical claims paid for employee on-the-job injuries for Day Habilitation attendants. If you were not a subscriber to the Workers' Compensation Act (i.e., traditional workers' compensation insurance policy), and you paid workers' compensation claims for employee on-the-job injuries for the staff whose salaries and wages are reported, report the amount of claims paid in

this item. If you maintained a separate banking account for the sole purpose of paying your workers' compensation claims for employee on-the-job injuries (i.e., a nonsubscriber risk reserve account), the contributions made to this banking account are not allowable. Paid claims may be direct-costed or allocated based upon payroll. If paid claims are allocated, an acceptable allocation summary must be attached.

Employee Benefits - Health Insurance

Report employer-paid health insurance for Day Habilitation attendants. Employer-paid health insurance premiums must be direct costed.

Employee Benefits - Life Insurance

Report employer-paid life insurance for Day Habilitation attendants.. Employer-paid life insurance premiums must be direct-costed.

Employee Benefits - Other Benefits

Report any employer-paid disability insurance and retirement contributions for Day Habilitation attendants whose salaries and wages are reported. These benefits must be direct-costed. The contracted provider's unrecovered cost of meals and room-and-board furnished to direct care staff, uniforms, staff personal vehicle mileage reimbursement, job-related training reimbursements and job certification renewal fees are not to be reported as benefits; unless they are subject to payroll taxes, in which case they are to be reported as salaries and wages. Other than mileage reimbursement for allowable transportation of individuals receiving services, costs that are not employee benefits and are not subject to payroll taxes are not to be reported on the RFR; these costs may be reported on the provider's cost report in the appropriate items. In the space provided, describe the amount and type of each benefit comprising the total amount reported. Employee benefits must be reported in accordance with 1 TAC §355.103(b)(1)(A)(iii)(II).

Day Habilitation 3rd-Party Contract (not Related Party)] Paid Days

Report the total number of days during the reporting period for which you paid 3rd-party contractors for Day Habilitation services.

Day Habilitation 3rd-Party Contract (not Related Party) Compensation

Report the total amount paid to 3rd-party contractors for the days reported. Do not make any reductions. You do not need to report the specific expenses of the 3rd-party contractor. Attendant compensation of contracted third-party Day Habilitation will be automatically calculated at 50% of total compensation for this line item.

Total Day Habilitation Attendant Cost

The Total cost for attendants providing Non-Day Habilitation services is automatically calculated..

<i>UNITS OF SERVICE</i>

Days of Service

Report the total number of units of HCS/TxHmL services (**with two decimal places where noted**) **PROVIDED** by your attendants to all individuals during the reporting period, according to the specified service type. For Non-Day Habilitation this includes Residential Support Services and Supervised Living (RSS/SL), Supported Home Living and Community Support Services, Respite, Supported Employment and Employment Assistance. **Be sure to include all billable services PROVIDED during the report period, not just services for which you have already received payment.** For RSS/SL and Day Habilitation, in addition to the billed units of service, you should include days of service provided for which you may never be reimbursed (e.g., service provided to an individual who has temporarily lost eligibility). Report all hours of service and the day habilitation days of service to two decimal places.

SCHEDULES A: RESERVED FOR FUTURE USE

SCHEDULE B: RESERVED FOR FUTURE USE

SCHEDULE C

This schedule must be completed by **every** contracted provider that has an owner-employee or other related-party employee acting as an attendant regardless of whether the owner-employee or other related-party employee received **any compensation** for their services during the reporting period.

For reporting purposes, an employee who meets the definition of a related party or an owner who is a sole proprietor, a partner owning 5% or more of the partnership, or a corporate stockholder owning 5% or more of the outstanding stock of the contracted provider must report their compensation on a Schedule C (these meet the definition of an "owner-employee").

If no compensation was paid, received, or properly accrued during the reporting period for an owner-employee or a related-party employee, provide an explanation in Part 1 - allocation method on why no compensation is being reported. Also, enter "0" as the amount in Part 2 - Associated Services Salaries & Wages section.

An organizational chart must be submitted electronically indicating the owner-employee's or the related-party employee's name and position within the organization. When organizational structures are composed of several corporations and the owner-employee and/or other related-party employee is associated with more than one of the corporations, it is necessary to submit at least two organizational charts: one picturing the entire organizational structure of various corporations and one detailing the organizational structure of the corporation providing the services covered by the specific RFR.

Allowable Compensation (see 1 TAC §355.103(b)(2))

Allowable compensation for an owner-employee or other related-party employee is governed by the principles that the services rendered are necessary functions, that the compensation is for the reasonable value of services rendered, that the compensation is not based on profitability, and that the services performed do not duplicate those performed by another employee of the component code.

A function is deemed necessary when, if the owner or related party had not performed the said function, the component code would have had to employ another person to perform that function. To be necessary, a function must pertain to direct or indirect activities in the provision or supervision of contracted resident services.

The test of reasonableness requires that the compensation of owner-employees and other related-party employees be such an amount as would ordinarily be paid for comparable services performed by non-owners or unrelated parties. Reasonable compensation is limited to the fair market value of services rendered by the owner-employee or other related-party employee in connection with resident care. Education and experience of the owner are pertinent only as they relate to the job being performed and the services being rendered, in this case, attendant services.

NOTE: Record all monetary amounts rounded to the nearest whole dollar (with no zeros included for cents).

PART 1 - COMPENSATION

Name - Indicate the name (Last Name, First Name, and Middle Name/Initial) of the owner--employee or the related-party employee.

Title - Indicate the title of the owner-employee or other related-party employee. The title must correspond to the title indicated on the organizational chart attached to the RFR.

Type of Position - Identify the type of position filled by the owner-employee or other related-party employee. Only attendant positions should be included in this RFR.

Location of Position within Organizational Structure - Indicate the location of the owner-employee's or other related-party employee's position within the organizational structure (i.e., component code, contracting entity, a controlling entity, or parent company/sole member/related-party management company). The location of position should relate to the organizational chart(s) submitted.

Description of Duties - Provide a description of the duties performed by the owner-employee or other related-party employee as they relate to the specific RFR or attach and properly cross-reference a copy of the person's written job description and provide a summary of how those duties relate to the specific RFR. See 1 TAC §355.105(b)(2)(B)(xi). Only attendant positions should be

included on this RFR.

Relationship to Provider - Indicate the owner-employee's or other related-party employee's relationship to the contracted provider. If the schedule is being completed for an owner-employee, indicate that the employee is an owner and describe the type of ownership (e.g., owner-sole proprietor; owner- % partner; owner- % stockholder). If the schedule is being completed for a related-party employee other than the owner, identify the relationship (e.g., husband of owner-sole proprietor; daughter-in-law of % partner; brother of % stockholder). If the schedule is being completed for a member of the Board of Directors (related through control), identify that fact in this item.

Direct Costing Method - If the services provided by this employee benefited more than the component code for which the RFR is being completed, if the employee's salary is reported in more than one item on this RFR, or if the employee performed both attendant and nonattendant functions for this component code, the salary must be directly charged based upon timesheets. Describe the basis upon which the compensation has been directly charged to this report or between line items. For example, you might state that the salary has been directly charged based upon daily timesheets, attach a copy of a completed timesheet, attach a copy of the written instructions applicable to the completion of the timesheet, report the total number of hours recorded by all timesheets during the reporting period (the denominator), report the total number of hours directly chargeable to the specific report based upon the results of the daily timesheets (the numerator), and show the calculation of the percentage of compensation directly charged to this report (a percentage with two decimal places).

Percentage of Ownership - If the schedule is being completed for an owner-employee, enter the percentage of ownership for that employee. If the schedule is being completed for a related-party employee who has no ownership interest, enter "0" as the ownership percentage. If the schedule is being completed for a related-party employee who is the spouse of an owner in a community property state, indicate the same ownership percentage as the owner.

Number of Hours Worked - Report the number of hours worked during the reporting period by the employee in order to earn the total compensation indicated. In other words, if the total compensation was divided by the hours worked, the result would be the employee's average compensation per hour.

PART 2 – ALLOCATION OF COMPENSATION

Breakdown of Total Compensation - Provide a breakdown by business component of how the total allowable compensation was directly charged. If the owner-employee or other related-party employee performed both attendant and nonattendant functions for this component code, provide a breakdown between the employee's attendant and nonattendant compensation.

The owner-employee or other related-party employee must report, the total compensation received from all business entities (components) which benefit from his/her effort or work. If the business component has a state of Texas vendor/provider number, report the number in the business

component blank (e.g., PHC #XXXXXXXXXX; CLASS #XXXXXXXXXX; DAHS XXXXXXXXXXXX; RC #XXXXXXXXXX; ICF/IID #XXXXXXXXXX).

Compensation should be directly charged to each business entity based either on the level of effort involved in providing services to or working for the entity (and supported by daily timesheets).

Total Compensation - The amount indicated as the Total Compensation is automatically calculated based on the amounts reported for each business component.

% of Total Hours - Report the percentage of the employee's total hours in Part 1 that has been directly charged to this report. Report the percentage with two decimal places (i.e., 33.33%).

% of Total Compensation - Report the percentage of the total employee compensation calculated in Part 2 that has been directly charged to this report. Report the percentage with two decimal places (i.e., 33.33%).

Associated Services Salaries & Wages - Select the service type from the drop down list and report the salaries and wages of the owner-employee or other related-party employee.

CERTIFICATION PAGES

REPORT CERTIFICATION

This page must be completed and signed by an individual legally responsible for the conduct of the provider, such as an owner, partner, Corporate Officer, Association Office, governmental official, or L.L.C. member. The program administrator may not sign this certification page unless he/she holds one of these positions. The responsible party's signature must be notarized. The signature date should be the same or after the date the preparer signed the Methodology Certification page, since the report certification indicates that the report has been reviewed after preparation.

The certification page must contain original signatures and original notary stamps/seals.

METHODOLOGY CERTIFICATION

This page must be signed by the person identified on the cover page of this report as *PREPARER*. This person must be the individual who actually prepared the report or who has primary responsibility for the preparation of the report for the provider. Signing as *PREPARER* carries the responsibility for an accurate and complete report prepared in accordance with applicable methodology rules and instructions. Signing as *PREPARER* signifies that the preparer is knowledgeable of the applicable methodology rules and instructions and that the preparer has either completed the report himself/herself in accordance with those rules and instructions or has

adequately supervised and thoroughly instructed his/her employees in the proper completion of the report. Ultimate responsibility for the report lies with the person signing as *PREPARER*. If more than one person prepared the report, an executed Methodology Certification page (with original signature and original notary stamp/seal) may be submitted by each preparer. Preparers should make note of the additional statement on the certification page notifying preparers that they may lose their authority to prepare future reports if the reports are not prepared in accordance with all applicable rules, instructions and mandatory training materials.

Note: Each person signing as preparer must have attended the required HHSC state-sponsored Cost Report Training for the 2016 or 2017 HCS/TxHmL Cost Report. Reports submitted by preparers who have not completed the proper cost report training will not be considered acceptable reports. Such reports will not be processed until the required cost report training has been completed.

Enrollment Contract Amendment

You must complete the Enrollment Contract Amendment when you are submitting your Request for Revision report.

STATE OF TEXAS COUNTY CODES

<u>County Name / Code</u>	<u>County Name / Code</u>	<u>County Name / Code</u>	<u>County Name / Code</u>	<u>County Name / Code</u>
Anderson 001	Crockett 053	Hays 105	Mason 157	Shackelford 209
Andrews 002	Crosby 054	Hemphill 106	Matagorda 158	Shelby 210
Angelina 003	Culberson 055	Henderson 107	Maverick 159	Sherman 211
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